KEYSPAN ENERGY DELIVERY NEW ENGLAND D.T.E. 06-41

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO KEYSPAN ENERGY DELIVERY NEW ENGLAND

D.T.E. 1-3

Respondent: Elizabeth D. Arangio Date of Response: June 27, 2006

- Q. Refer to Exhibit 1, at page 5 (Article II, Section 2.A.14). Explain how direction by the ANE customers would be given concerning requests for proposals for gas supplies.
- A. Upon the expiration of existing supply and transportation contracts, or if the ANE customer(s) determine that they require additional supply or transportation, NEGM/ANE would poll each customer to determine level of interest, volumes required, type of service, length of contract, etc. After this information is compiled, at the direction of the customer(s), ANE would issue an RFP for the requirements. This is usually done on a group basis to take advantage of economies of scale and the benefit of sharing expenses amongst the customer group participants. ANE would also undertake this effort for a specific customer if and as requested.